

B E T W E E N:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

JUSTICE HAINEY

) FRIDAY, THE 27TH DAY
)
) OF NOVEMBER, 2020



ALTERNA SAVINGS AND CREDIT UNION LIMITED

Applicant

- and -

1140402 ONTARIO INC. O/A EMERALD LODGE

Respondent

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS
AMENDED**

**ORDER
(Sale Process and Related Relief)**

THIS MOTION, made by Grant Thornton Ltd., in its capacity as receiver (in such capacity, the "**Receiver**") of 1140402 Ontario Inc. o/a Emerald Lodge (the "**Debtor**") for an order, among other things, approving the Sale Process (as defined in the First Report of the Receiver dated November 20, 2020, (the "**First Report**")) proceeded and was heard on this day by way of video-conference due to the COVID-19 crisis.

ON READING the Notice of Motion of the Receiver, the First Report and the fees affidavits of Rob Stelzer and Raj Sahni appended thereto (together, the "**Fees Affidavits**") and on hearing submissions of counsel to the Receiver, counsel for the Applicant, no one else appearing

although duly served as appears from the affidavit of service of Jesse Mighton sworn November 22, 2020, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF SALE PROCESS AND RELATED RELIEF

2. **THIS COURT ORDERS THAT** the Sale Process, as described in paragraphs 25-34 of the First Report, be and is hereby approved and the Receiver is hereby authorized, without obligation, to retain a licensed broker for the purpose of listing the Property for sale, and each of the Receiver and such licensed broker, if applicable, are authorized to take such further steps as may be considered necessary or desirable in carrying out the Sale Process.

3. **THIS COURT ORDERS AND DECLARES** that the Receiver is authorized and directed to conduct the Sales Process free and clear of the ROFR Rights (as defined in the First Report) held by Riverside Pharmacy Ltd., and such ROFR Rights are hereby nullified and of no further force and effect.

4. **THIS COURT ORDERS AND DECLARES** that the Receiver is authorized and directed to conduct the Sales Process free and clear of any prior agreements, if any, to purchase the Property (as defined in the First Report), and any such prior agreements are hereby nullified and of no further force and effect.

5. **THIS COURT ORDERS** that upon registration at the Land Registry Office for the Land Titles Division of Hamilton-Wentworth #62 of a certified copy of this Order, the Registrar of the aforementioned Land Registry Office is hereby directed to delete Instrument Nos. WE1081631, WE1387288, WE1416699, and WE1430135 from title to the real property municipally known as 83-85 Emerald Street South, Hamilton, Ontario and legally described on PIN 17176-0014(LT).

6. **THIS COURT ORDER** that the Receiver, any licensed broker retained by the Receiver in respect of the Sales Process, the Applicant, and their respective assistance, partners, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages, liabilities of any nature or kind to any person in connection with or as a result of performing

their duties under the Sale Process, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or willful misconduct of the Receiver, the licensed broker retained by the Receiver in respect of the Sale Process, or the Applicant, as applicable, as determined by this Court.

APPROVAL OF THE FIRST REPORT

7. **THIS COURT ORDERS** that the activities of the Receiver, as set out in the First Report, are hereby approved; provided, however that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

APPROVAL OF FEES AND DISBURSEMENTS

8. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel, as set out in the Fees Affidavits, are hereby approved.

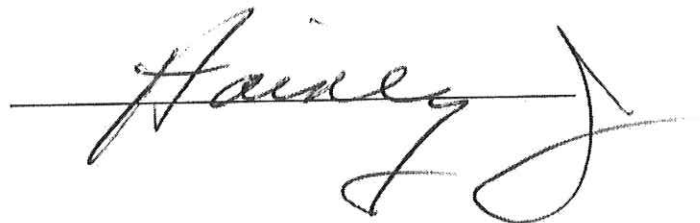
GENERAL

9. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties under this Order or under the Sale Process.

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date that it is made without any need for entry and filing.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:
NOV 27 2020



IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED
ALTERNA SAVINGS AND CREDIT UNION LIMITED - and - 1140402 ONTARIO INC. O/A EMERALD LODGE

Court File No.: CV-20-00648456-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

**ORDER
(Sale Process and Related Relief)**

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